

*File
JG-1969
Electro-Mechanics Co.*

6 May 1966

MEMORANDUM FOR THE RECORD

SUBJECT: CHIGOE

1. Contacted Dr. Fred Morris, whom [redacted] indicates ~~is now~~ president of Electro-Mechanics. Purpose of the contact was to establish the status of the aircraft purchased by Electro-Mechanics purportedly charged against our CPFF Contract. Dr. Morris agreed that the vehicle, which has already been purchased, would be Company property and that the Government would not take title to the aircraft. I stated to him that in this arrangement we would pick up the cost of the vehicle and any charges resulting from modification of the aircraft required by the program. I described that ordinarily under CPFF contract on purchase of the aircraft, title passes to the Government. In this instance I told him that we would dispose of the aircraft not at the end of the contract, but right now, in effect, practically speaking, we do not take title to it. He indicated the aircraft is presently registered in the Company's name. (b)(3)

2. He wants [redacted] trip Monday postponed. [redacted] is to be reached and contacted if necessary at his home telephone #512, GR-6-5515 or at the office #512, GL-2-8881. He stated there is absolutely too much rain to attempt the tests at our plant. (b)(3)

3. He indicated there is a problem in obtaining a pilot to fly the aircraft, his insurance requires 100 hours of time. Regarding Dave's suggestion that a professional pilot be hired locally in Austin, [redacted] indicated this to be wholly unacceptable from a security standpoint. He again ~~required~~ *requested* that LTV furnish one of their own professional pilots. I told him I would accompany [redacted] whenever he makes his planned visit to witness the tests and we would resolve the pilot question at that time. (b)(3)

[redacted] (b)(3)